

REMARKS

Summary of Office Action

Claims 1-73 were pending in the above-identified patent application. Of those, each of claims 60 and 61 was withdrawn from consideration as being drawn to a nonelected invention, and each of claims 62-73 was withdrawn from consideration as being drawn to a nonelected species.

The Examiner rejected claims 1-21 and 48-51 under 35 U.S.C. § 101 as allegedly being drawn to nonstatutory subject matter. Claims 1-59 were rejected under 35 U.S.C. § 101 as allegedly lacking patentable utility.

Summary of Applicant's Reply

Applicant has amended claims 1-4, 6, 11, 12, 17, 18, 22-25, 27, 28, 33-38, 40, 41, 46-48, 52 and 56, and has cancelled claims 15, 16, 31, 32, 44, 45, 50, 51, 54, 55, 58 and 59 without prejudice, in order to more particularly define the invention. The Examiner's rejections are respectfully traversed.

Summary of Personal Interview

On March 13, 2008, the Examiner and the undersigned conducted a personal interview at the Patent and Trademark Office to discuss the two Section 101 rejections, and primarily the rejection based on alleged lack of utility. The undersigned wishes to thank the Examiner for the courtesies extended during the telephonic interview. The substance of the interview will be discussed below where appropriate.

Applicant's Reply to the
Lack-of-Utility Rejection

Claims 1-59 were rejected under 35 U.S.C. § 101 as allegedly lacking patentable utility. This rejection is respectfully traversed.

As set forth in the Office Action, the bases of the lack-of-utility rejection are (1) the claimed subject matter

cannot have utility absent recitation of a specific environment, and (2) because applicant has previously asserted that contemporary knowledge regarding the phenomenon of Brownian Motion, which underpins the invention, is wrong, the asserted utility would not be credible in the eyes of those of skill in the art, who believe in the contemporary knowledge. These rejections are respectfully traversed.

Applicant has amended the claims to limit them to the financial environment, which removes the first underpinning of the rejection.*

At the personal interview, the undersigned demonstrated for the Examiner, by use of a Microsoft Excel® spreadsheet, that the claimed invention accurately assessed trends and congestions in the Standard & Poor's S&P 500® cash index. An electronic copy of the spreadsheet was left with the Examiner. Because the claimed invention can be shown to actually work as claimed, the asserted utility is credible.** This removes the second underpinning of the rejection.***

Accordingly, applicant respectfully requests that the lack-of-utility rejection under 35 U.S.C. § 101 be withdrawn.

* Accordingly, applicant has cancelled claims 15, 16, 31, 32, 44, 45, 50, 51, 54, 55, 58 and 59 without prejudice to their subject matter, which survives in the amended claims.

** Applicant further traverses the suggestion that the asserted utility is not credible. Applicant submits that even if those skilled in the art would not believe that the invention is operable, they would find the asserted utility to be a credible utility -- i.e., to be a useful result -- if only it could be achieved. Thus the issue might better be described as one of operability, but in any case applicant demonstrated operability at the interview.

*** Applicant notes in this regard that many pioneering inventions challenge accepted knowledge, but that does not diminish their utility.

Applicant's Reply to the
Statutory Subject Matter Rejection

Claims 1-21 and 48-51 were rejected under 35 U.S.C. § 101 as allegedly being drawn to nonstatutory subject matter. This rejection is respectfully traversed.

As expressed in the Office Action, the basis of the rejection was that the invention did not accomplish a practical application -- i.e., "a useful, concrete and tangible result." As expressed at the personal interview, the basis of the rejection was that the claims, not limited to any particular field, preempted all uses of a law of nature or natural phenomenon.

As to the latter, applicant has amended the claims to limit them to the financial field, and accordingly there is no preemption by the claims of all uses a law of nature or natural phenomenon.* As to the former, as demonstrated at the personal interview, the subject matter of the claims as amended allows the accurate assessment of trends and congestions in a financial system. This is surely useful to traders, fund managers, etc., and is at least as "useful, concrete and tangible" as the momentary fixing of a price in State Street Bank & Trust Co. v. Signature Financial Group Inc., 149 F.3d 1368, 47 USPQ2d 1596 (Fed. Cir. 1998).

Accordingly, applicant respectfully requests that the statutory subject matter rejection be withdrawn.

Reservation of Rights

The amendments presented herein are being made solely in order to advance the prosecution of this application. Applicant does not surrender any subject matter thereby, and hereby expressly reserves the right to pursue, in one or more continuing applications, any one or more of the

* Applicant does not concede that the unamended claims would preempt a natural phenomenon or law of nature.

claims as they existed prior to the current amendment, as well as any nonelected invention or species.

Conclusion

For the reasons set forth above, applicant respectfully submits that this application, as amended, is in condition for allowance. Reconsideration and prompt allowance of this application are respectfully requested.

Respectfully submitted,

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